

<b>Decision Maker</b>	<b>Commissioning Partnership Board</b>
<b>Date of Decision:</b>	<b>17<sup>th</sup> February 2022</b>
<b>Subject:</b>	<b>Contract extension request for the provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities.</b>
<b>Report Author:</b>	<b>Commissioning Managers: Fateha Khanom and Lynda Megram, Oldham Cares</b>

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<b>Reason for the decision:</b>	To seek approval to extend a contract for the provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists. This report requests approval to extend the contract by a further, final year, from 1 <sup>st</sup> June 2022 to 31 <sup>st</sup> May 2023.
<b>Summary:</b>	<p>The Commissioning Partnership Board (CPB) agreed that the Council award a contract for 'provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities', on 28<sup>th</sup> March 2019, to commence on or after 1<sup>st</sup> June 2019 for two years with an option to extend by an additional two years on one-year increments. CPB agreed to extend the contract by one year to 31<sup>st</sup> May 2022 and this report requests approval to extend by one final year. The contract is held by four suppliers who each hold one of four Lots.</p> <p>The provision is funded from the Disabled Facilities Grant (DFG) capital allocation within the Better Care Fund. The legislative framework governing DFGs places a statutory duty on Local Authorities to approve an 'eligible application'. Provision to undertake the duty must therefore be available. Oldham Council led on the procurement for the Council and for Tameside Council, who confirm their support for the requested extension.</p>

***What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):***

- a) Not to approve the contract extension and allow the provision to cease.  
This option is not recommended, as the legislative framework governing DFGs places a statutory duty on Local Authorities to provide DFGs to those who qualify; provision to fulfil the duty must therefore be available.
- b) Not to extend the current contract and retender the provision solely for Oldham.  
This is not the preferred option, as officers from both authorities believe that the current joint arrangements with Tameside Council provides better value than tendering for one borough alone.
- c) To extend the current contract by a further year, from 1<sup>st</sup> June 2022 to 31<sup>st</sup> May 2023.  
This is the preferred option, as this enables continuity of provision which enables Local Authorities to meet their statutory duty to provide DFGs to those who qualify. Tameside have confirmed that they support the preferred option.

**Recommendation(s):**

*To approve option C i.e. To extend the current contract by a further year, from 1<sup>st</sup> June 2022 to 31<sup>st</sup> May 2023.*

**Implications:**

***What are the financial implications?***

The commissioning team are seeking approval to extend the contract for stairlifts, ceiling track hoists, step lifts and gantry hoists for a further year covering 1<sup>st</sup> June 2022 until 31<sup>st</sup> May 2023.

The contract is costed to the Disabled Facilities Grant (DFG) capital fund, which is part of the Better Care Fund, a pooled budget with the CCG.

The costs of the contract is shown in table 1 below. The table also shows the total DFG spend per year with forecast expenditure of £0.537m reported in the month 9 monitor for the current year. Projected spend is within budget and whilst the service is somewhat demand-led, expenditure is consistent with previous years activity. The 2022/23 DFG allocation has yet to be notified but it is anticipated that following the publication of the adult social care reform white paper additional funding will be made available.

There are no adverse effects to the overall budget expected in 2022/23.

Table 1:

	2020/21 £m	2021/22 (up until 31/12/21) £m	2021/22 Forecast Outturn £m
<b>Cost of Contract</b>	£0.592	£0.403	£0.537
<b>Total DFG Budget</b>	£2.300	£2.010	£2.010

(Andy Pearson)

What are the **procurement** implications?

Provision exists in the current contract to extend this arrangement for a final year in line with the recommendations in this report to start a new service from 01.06.2023. The Commercial Procurement Unit therefore supports the recommendations in this report. The Commercial Procurement Unit recommends the following future actions:

- a. Clear KPI's must be agreed with the Provider and the Commissioning Team to manages and monitors KPI's
- b. The setting up of a working group involving the Procurement Team at an early stage ensuring no further requests will be made to extend this contract in the future.
- c. Ensure appropriate consultation is undertaken at pre-procurement stage with the provider market.  
(Mohammad Sharif)

What are the **legal** implications?

If the contracts make provision for an additional term of 1 year and the Council is satisfied with the standards under the contracts, there are no legal implications in approving the proposed extension.  
(Sarah Orrell)

What are the **Human Resources** implications?

N/A

**Equality and Diversity Impact Assessment** attached or not required because (please give reason)

No: an EIA has not been completed as the proposal enables continuity of statutory provision of adaptations to improve the independence, health, and wellbeing of people with disabilities, and to enable them to remain living for as long as possible in their own homes. The provision is available to disabled children and adults with an assessed / eligible need.

What are the **property** implications?

None: the provision is installed in recipients own

domestic properties.

**Risks:**

There are no risks identified from pursuing the preferred option.

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Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution/CCG's Standing Orders? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the S.75 budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council/CCG? No

**Reason(s) for exemption from publication:**

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**Reason why this Is a Key Decision** (1) to result in the local authority incurring expenditure or the making of savings which are, significant (over £250k) having regard to the local authority's budget for the service or function to which the decision relates; and

The Key Decision made as a result of this report will be published within **48 hours** and cannot be actioned until **five working days** have elapsed from the publication date of the decision, i.e., **before 1st March 2022**, unless exempt from call-in.

This item has been included on the Forward Plan under reference: **HSC-07-21**.

**There are no background papers for this report**

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<b>Report Author Sign-off:</b>	
F Khanom and LV Megram	<b>Date:</b> 05.01.22

Please list any appendices: -

<b>Appendix number or letter</b>	<b>Description</b>
N/A	N/A

## **1. Background:**

- 1.1 This report seeks approval to extend a contract for provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities. The contract is held by four suppliers who each hold one of four Lots. The Commissioning Partnership Board awarded the contract on 28<sup>th</sup> March 2019, to commence on or after 1<sup>st</sup> June 2019 for two years with an option to extend by an additional two years on one-year increments. Commissioning Partnership Board approved a year's extension (to 31<sup>st</sup> May 2022) at its meeting on 29<sup>th</sup> April 2021; this report requests approval to extend the contract by a further, final year, from 1<sup>st</sup> June 2022 to 31<sup>st</sup> May 2023. This will allow continuity of essential provision whilst officers consider procurement options for new arrangements from 1<sup>st</sup> June 2023.
- 1.2 The provision is funded from the Disabled Facilities Grant (DFG) capital allocation within the Better Care Fund operating under section 75 NHS Act 2006 pooled budget arrangements between Clinical Commissioning Groups and Councils. This provides funding to adapt a disabled person's home - where an assessed need has been identified - to enable the occupant to continue to live as independently as possible in their own homes. The legislative framework governing DFGs places a statutory duty on Local Authorities to provide DFGs to those who qualify: i.e. where the council considers the adaptation to be 'necessary and appropriate to meet the disabled applicant's needs' and 'reasonable and practicable in relation to the age and condition of the property'. Provision to undertake the duty must therefore be available.
- 1.3 Oldham Council led on the procurement exercise for Oldham and Tameside boroughs and hold the contract: however, there is no pooling of budgets between the two authorities, with each area paying for its own activity. Oldham has a history of collaboration with Tameside Council on contracts relating to DFG provision, as we have similar local arrangements, demands and requirements. It is considered by both local authorities that the advantages gained through economy of scale in letting larger contracts across both areas has resulted in better value for money, and more robust and well-run contracts, to the benefit of both Authorities. Tameside have confirmed that they also want to extend the contract for its final year whilst both authorities consider the best procurement route for future provision.

## **2 Current position:**

- 2.1 The contract was awarded to four suppliers who each hold one of four Lots:
- Lot 1 - Stairlifts: Platinum Stairlifts Ltd
  - Lot 2 - Ceiling track hoists: Handicare Accessibility Ltd. NB: the council authorized novation of the contract for Lot 2, from Handicare Accessibility Limited to Direct Healthcare Group Ltd, with effect from 1 September 2021.
  - Lot 3 - Vertical and step lifts: Wessex Lifts Ltd
  - Lot 4 - Temporary free standing and pressure fit Gantry hoists: Prism UK Medical Ltd
- 2.2 Each Lot of the contract includes the supply and installation of the provision, all with 'life of client' warranty: this places responsibility for the maintenance/replacement of installed equipment on the contractor for as long as the recipient needs the

provision, thus securing long term revenue savings for each local authority, who would otherwise have to fund this aspect from revenue. The contract was Lotted because no single provider supplies all these specialist pieces of equipment: the specialist nature of this provision was reflected in the low number of bidders (5 in total) and that all the companies are national / international suppliers. Lot 4 has not been used by Oldham: it was requested by Tameside to pilot 'single-handed' care arrangements i.e., trialing the installation for a fixed period and replacing it with a permanent ceiling track hoist if it proved successful in reducing the need for a mobile hoist/associated care package. Oldham seldom requires this type of hoist, though we retain some via our community equipment contract to facilitate speedy temporary arrangements where required.

- 2.3 The provision is primarily demand-led so levels of activity/spend can vary, and patterns of need and demand have been disrupted since Covid-19 and lockdown which impacted on delivery of all types of installations/adaptations. Despite this, installations and spend have increased under these arrangements. Prior to these contractual arrangements, spend in 2018/19 on this provision was £384,868 for Oldham and £382,433 for Tameside. Both authorities anticipate spend of circa £400+k in 2022-23, as both aim to further reduce revenue costs by replacing older equipment that is currently on a service and maintenance contract, funded from revenue, with this provision.
- 2.4. The suppliers have provided added value; however, it has proven difficult to employ local people as these suppliers are mainly specialist, nationally based organizations, and although some apprenticeship opportunities have been offered these have not proved popular for similar reasons. The suppliers have held online 'training sessions' on their products for Occupational Therapists and Technical Officers from Oldham and Tameside. They have also taken part in 'speed interviewing' / career days and mock interviews for students across both boroughs. Both boroughs consider that the current contract is working very well in terms of efficiency, quality of the provision and customer after care.

### **3 Conclusions and recommendations:**

- 3.1 The Commissioning Partnership Board is asked to approve the contract extension, as this enables:
- cost avoidance in the wider health and social care system - by ensuring continuity of provision that supports people with disabilities to better manage their conditions and remain living as independently as possible in their own homes, helping to avoid the need for increased care packages or residential care
  - the current joint arrangements with Tameside to continue, which provides continued economies of scale from a contract across a larger footprint